

Message Text

CONFIDENTIAL

PAGE 01 MADRID 06357 271756Z

ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 NSC-05 IO-13

SS-15 STR-04 CEA-01 /093 W

-----088008 271802Z /40

P 271647Z AUG 77

FM AMEMBASSY MADRID

TO SECSTATE WASHDC PRIORITY 1522

C O N F I D E N T I A L MADRID 6357

E.O. 11652: GDS

TAGS: ECON, EFIN, SP

SUBJECT: WORLD BANK/IMF ANNUAL MEETINGS AND GOS REQUEST FOR MEETINGS
WITH US OFFICIALS

1. SECRETARY OF STATE IN MINISTRY OF ECONOMY, JOSE RAMON ALVAREZ RENDUELES, INFORMED EMBASSY AUGUST 26 THAT NEW GOS GOVERNORS TO IMF AND IBRD WILL BE VICE PRESIDENT FOR ECONOMIC AFFAIRS AND MINISTER OF ECONOMY FUENTES QUINTANA AND FINANCE MINISTER FERNANDEZ ORDONEZ. THESE TWO MINISTERS, ALONG WITH ALVAREZ RENDUELES, WILL REPRESENT SPAIN AT SEPTEMBER 26-29 ANNUAL MEETINGS IN WASHINGTON.

2. INSTEAD OF IMF TEAM VISITING MADRID FOR CONSULTATIONS DURING SEPTEMBER ALVAREZ RENDUELES AND BANK OF SPAIN DIRECTOR GENERAL OF RESEARCH, ANGEL ROJO, PLAN TO CONSULT WITH IMF STAFF IN WASHINGTON PRIOR TO ANNUAL MEETING. MAIN ISSUES SPANISH INTEND TO RAISE WITH IMF ARE (A) POSSIBILITY OF SPAIN BEING DESIGNATED AS COUNTRY TO SHARE IN PROFITS FROM IMF GOLD SALES; (B) AN ISSUE RELATING TO THE EXPORT EARNINGS COMPENSATORY FUND; AND (C) AN ISSUE REGARDING THE NEW SUPPLEMENTARY FINANCING FACILITY ("WITTEVEEN FACILITY"). IN ADDITION, GOS WILL WANT TO EXPLORE POSSIBLE MEANS FOR OBTAINING EXPRESSION OF IMF APPROVAL OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MADRID 06357 271756Z

ITS NEW ECONOMIC PROGRAM WITHOUT FURTHER DRAWING FROM FUND, WHICH IT BELIEVES WILL NOT BE NECESSARY THIS YEAR. IT BELIEVES ITS PROGRAM TO BE A SOUND ONE THAT WOULD QUALIFY SPAIN FOR FURTHER DRAWINGS, BUT IT WOULD PREFER TO USE PRIVATE BANK ACCOMMODATIONS AS LONG AS POSSIBLE WITHOUT DRAWING FURTHER, IN PART BECAUSE OF NEGATIVE INTERNAL POLITICAL REACTION DEPENDENCE ON FUND COULD CREATE.

3. RENDUELES SAID THAT VICE PRESIDENT FUENTES QUINTANA AND FINANCE MINISTER FERNANDEZ ORDONEZ WOULD LIKE VERY MUCH TO MEET WITH SECRETARY OF TREASURY BLUMENTHAL TO EXCHANGE VIEWS ON INTERNATIONAL MONETARY SITUATION AND SPAIN'S NEW ECONOMIC PROGRAM DURING THEIR STAY IN WASHINGTON. PRIOR AND PREPARATORY TO SUCH POSSIBLE MEETING, ALVAREZ RENDUELES AND ROJO WOULD LIKE TO MEET WITH OTHER US OFFICIALS CONCERNED WITH FINANCIAL MATTERS.

4. COMMENT: IN VIEW OF IMPORTANCE OF SUCCESS IN COPING WITH ECONOMIC PROBLEMS TO DEMOCRATIC POLITICAL EVOLUTION IN SPAIN, AS WELL AS TO US ECONOMIC INTERESTS, AND THE STRONG ECONOMIC EFFORT THE NEW GOS ECONOMIC TEAM IS MAKING, I STRONGLY RECOMMEND THAT SECRETARY BLUMENTHAL AGREE TO MEET WITH VICE PRESIDENT FUENTES QUINTANA AND FINANCE MINISTER FERNANDEZ ORDONEZ DURING PERIOD OF IMF MEETING.

5. I ALSO BELIEVE FUENTES QUINTANA AND FERNANDEZ ORDONEZ WOULD FIND IT MOST HELPFUL TO BE ABLE TO MEET WITH FEDERAL RESERVE CHAIRMAN BURNS. I ALSO RECOMMEND THAT ARRANGEMENTS BE MADE FOR ALVAREZ RENDUELES AND ANGEL ROJO TO MEET WITH TREASURY UNDER SECRETARY SOLOMON AND ASSISTANT SECRETARY BERGSTON, AND UNDER SECRETARY COOPER DURING DAYS IMMEDIATELY PRIOR TO IMF MEETING. WE WILL ADVISE SPECIFIC DATES THEY WILL BE IN WASHINGTON AS
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MADRID 06357 271756Z

SOON AS THEY ARE KNOWN. STABLER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANKS, MINISTERIAL MEETINGS
Control Number: n/a
Copy: SINGLE
Sent Date: 27-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MADRID06357
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770310-1294
Format: TEL
From: MADRID
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770816/aaaaamqa.tel
Line Count: 95
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 04dfdf51-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 14-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1459909
Secure: OPEN
Status: NATIVE
Subject: WORLD BANK/IMF ANNUAL MEETINGS AND GOS REQUEST FOR MEETINGS WITH US OFFICIALS
TAGS: ECON, EFIN, SP, US
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/04dfdf51-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009